

1997: THE YEAR IN REVIEW

The National Endowment for the Arts was established by Congress in 1965 as an independent Federal agency. Its mission is:

*To foster the excellence, diversity, and vitality of the arts in the United States, and
To broaden public access to the arts.*

A New Look for Grants

This annual report documents the first year of sweeping changes in the Arts Endowment's grantmaking structure, as foretold in last year's annual report. After 30 years, the Endowment reorganized its grant programs from discipline-based categories into broad-based, thematic categories to meet the financial and social challenges of the times. Stimulated by a 39 percent Congressional budget cut in 1996, the reorganization included staff reductions, elimination of most individual grants, and elimination of seasonal support and general operating grants for organizations, who now are generally limited to one grant application per year. In Fiscal Year 1997 the Endowment awarded over 1,000 grants totaling \$90.6 million in the following areas: Grants to Organizations, Partnership Agreements, Leadership Initiatives, and Grants to Individuals.

Grants to Organizations fall into four major categories: *Creation & Presentation*, *Education & Access*, *Heritage & Preservation*, and *Planning & Stabilization*. These awards support exemplary projects in the full range of arts disciplines, including dance, design, folk and traditional arts, literature, media arts (film, television, and radio), museums, music, musical theater, opera, presenting, theater, visual arts, arts education, and multidisciplinary forms. Grants are awarded on the basis of artistic excellence and merit, the impact of the project, and the applicant's ability to carry out the project. Nonprofit, tax-exempt organizations may apply for one grant each year, excluding applications submitted as part of a consortium. All Endowment funds awarded as grants to organizations must be matched by non-federal sources at least 1-to-1.

Partnership Agreements support the designated state, jurisdictional, and regional arts agencies. They represent a consolidation of the Basic State Grants, Arts-In-Education Partnership Grants, and Underserved Communities Set-Aside Grants issued in previous years. Partnership Agreements remain strong stimuli for state governments to provide funding for the arts.

Leadership Initiatives allow the National Endowment for the Arts to take an active role in developing and carrying out pioneering or hallmark projects in the arts—such as activities that mark the new millennium, have international significance, or link the arts in new ways with non-arts fields of human activity. The success of many of these initiatives depends on the effective collaborations established by the Arts Endowment with other Federal agencies and with local and national nonprofit institutions.

Individuals may apply directly for *Literature Fellowships*. Awards in the other two categories of grants for individuals—the *American Jazz Master Fellowships* and the *National Heritage Fellowships*—are made solely on the basis of nominations submitted to the agency.

Research and Public Policy

As the the lead government agency for public arts funding in the United States, and as the nation's largest single funding source for the nonprofit arts, the Endowment carries out various research and public policy activities pertaining to America's cultural life.

In 1997 the National Endowment for the Arts released *American Canvas*, a report examining the economic and social conditions of the nonprofit arts in America. The report is the result of a privately supported, year-long series of six regional public forums held across the coun-

try. It offers practical recommendations and calls on all Americans to help preserve our nation's cultural legacy for future generations. Another outcome of the American Canvas process will occur in 1998 when the Endowment will institute a pilot program ArtsREACH, designed to increase the level of direct grant assistance to arts organizations in underserved areas.

The Endowment's **Office of Policy, Research, and Technology** carried out a number of other research studies, including the 1997 *Survey of Public Participation in the Arts* that assessed frequency of and barriers to American arts participation. This report will be published in 1998. For a second year, the Office conducted *Open Studio: The Arts Online*, a project providing free Internet access to artists and arts organizations nationwide. The **Office of AccessAbility** continued to address arts accessibility issues for persons with special needs, by working with arts organizations and other Federal agencies, and by organizing special projects such as the first national forum on careers in the arts for people with disabilities.

The Arts Endowment also administers the annual nomination process for the *National Medal of Arts*, which was created by Congress in 1984, is conferred by the President, and recognizes extraordinary contributions to the life of the arts in the United States.

Operations

Jane Alexander was nominated by President William J. Clinton and served as the sixth **Chairman** of the National Endowment for the Arts from October, 1993 to October, 1997. Following her departure, President Clinton nominated William Ivey to serve as the Endowment's seventh Chairman.

The **National Council on the Arts** advises the Chairman on policies, programs, procedures, and grants. Council members represent various arts disciplines and usually serve six-year terms, staggered so that approximately one-third of the body rotates every two years. From 1965 through 1997, the Council was comprised of 26 private citizens appointed by the President and confirmed by the U.S. Senate.

Late in 1997, Congress changed the Council structure so that, beginning in 1998, this body is comprised of 14 private citizens appointed by the President and six members of Congress who serve in a non-voting capacity.

Panels of experts, including professional artists, arts administrators, and knowledgeable laypersons, review all of the Arts Endowment's grant applications. In 1997, applications were reviewed initially by panels in single artistic disciplines, and then by combined, multidisciplinary panels organized by grant category. In 1998, applications will be reviewed entirely by panels organized by artistic discipline.

The **staff** is comprised of a senior executive team, directors and staff specialists with expertise in the arts, and administrative personnel. The staff receives and processes applications, provides technical assistance and information to constituents, processes awards and rejections, and remains informed of trends and developments in the arts field. Staff members also keep the American public apprised of the Endowment's work and the accomplishments of its grantees.

This Annual Report

The organization of this annual report reflects the changes in the Endowment's grantmaking structure that took effect during the Fiscal Year which began on October 1, 1996 and ended on September 30, 1997. All grants, cooperative agreements, and interagency agreements executed that year are described. The narratives preceding each section provide an overview of Endowment programs. Because organizational grants are no longer awarded by artistic discipline, the discipline of each project is indicated in parentheses as part of each grant listing. A summary of financial transactions based on the new structure and a history of Endowment appropriations are included at the end.

For applications, publications, research reports or other information, consult the National Endowment for the Arts' Web site at <http://arts.endow.gov> or call (202) 682-5400.